

Ithmaar Bank B.S.C (C)

Common Disclosures Template for the period ended 30 September 2023

Expressed in thousands of Bahraini Dinars unless otherwise stated

PD : Reconciliation requirements

Step 1: Disclosure of Balance Sheet under Regulatory scope of Consolidation

The Bank's subsidiaries (consolidated line by line for accounting purposes) have the following treatment for regulatory purposes

| Name | Total assets | Total Equity | % owned | | Country of Incorporation | Principal business activity | Regulatory Treatment |
|----------------------------------|--------------|--------------|---------|----------|--------------------------|-----------------------------|----------------------|
| | | | Voting | Economic | | | |
| Faysal Bank Limited | 1,616,941 | 106,589 | 67 | 67 | Pakistan | Banking | Aggregation |
| Dilmunia Development Fund I L.P. | 65,382 | 56,778 | 92 | 92 | Cayman Islands | Real estate | Risk weight |

The reconciliation from published financial information to regulatory return is as follows:

| | |
|---|------------------|
| Balance sheet as per published financial statements | 2,130,383 |
| FAS 30 Transitional impact | 21,630 |
| Modification loss transitional impact | 18,403 |
| Aggregation | 25,233 |
| Balance sheet as in Regulatory Return | 2,195,649 |

Step 2: Reconciliation of published financial balance sheet to regulatory reporting as at 30 September 2023

| Assets | Balance sheet as in published financial statements | Consolidated PIRI data | Reference |
|---|--|------------------------|-----------|
| Cash and balances with banks and central banks | 125,138 | 125,138 | |
| Commodity and other placements with banks, financial and other institutions | 8,523 | 8,523 | |
| Murabaha and other financings | 577,425 | 577,425 | |
| Musharaka financing | 458,251 | 458,251 | |
| Sukuk and investment securities | 804,813 | 804,813 | |
| Investment in associates | 3,823 | 3,823 | |
| Assets acquired for leasing | 304 | 304 | |
| Other assets | 31,336 | 31,336 | |
| Investment in real estate | 3,929 | 3,929 | |
| Development Properties | 57,234 | 57,234 | |
| Fixed assets | 53,695 | 53,695 | |
| Intangible assets | 5,912 | 5,912 | |
| FAS 30 Transitional impact | - | 21,630 | |
| Modification loss transitional impact | - | 18,403 | |
| Aggregation | - | 25,233 | |
| Total Assets | 2,130,383 | 2,195,649 | - |

Step 2: Reconciliation of published financial balance sheet to regulatory reporting as at 30 September 2023

| Assets | Balance sheet as in published financial statements | Consolidated PIRI data | Reference |
|--|--|---------------------------|-----------|
| Liabilities & Unrestricted Investment Accounts (URIA) | | | |
| Unrestricted Investment Accounts | 910,666 | 910,666 | |
| Other liabilities | 1,138,851 | 1,138,851 | |
| Total Liabilities & URIA | 2,049,517 | 2,049,517 | - |
| Minority Interest | | | |
| | 40,875 | 40,875 | |
| Owners' Equity | | | |
| Share capital | 100,000 | 100,000 | A |
| Reserves | (53,699) | (53,699) | |
| of which eligible for CET1 | - | (37,097) | B |
| Accumulated losses | (6,310) | (6,310) | |
| of which eligible for CET1 | - | (54,772) | C |
| FAS 30 Transitional impact | - | 21,630 | D |
| Modification loss & ECL transitional impact | - | 18,403 | E |
| Aggregation | - | 25,233 | |
| Total Owners' Equity | 39,991 | 105,257 | |
| Total Liabilities + Owners' Equity | 2,130,383 | 2,195,649 | |

Step 3: Composition of Capital Common Template (transition) as at 30 September 2023

| Composition of Capital and mapping to regulatory reports | Component of regulatory capital | Reference numbers of balance sheet under the regulatory scope of consolidation from step 2 | Amount subject to pre- 2015 treatment |
|---|------------------------------------|---|--|
| Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus | 100,000 | A | |
| Retained earnings | (54,772) | C | |
| of which Modification loss including ECL provisions relating to stage 1 & 2 | 18,403 | E | |
| Expected Credit Losses (ECL) Stages 1 & 2 | (52,762) | | |
| of which FAS 30 Transitional impact | 21,630 | D | |
| Reserves | (37,097) | B | |
| Aggregation & deductions | 102,413 | | |
| Total CET1 capital | 97,815 | | |
| FAS 30 Transitional impact | 7,442 | | |
| Total T2 Capital | 7,442 | | |
| Total Capital | 105,257 | | |
| Total Risk Weighted Assets (RWA) | 761,689 | | |
| Capital Adequacy Ratio (CaR) | 13.82% | | |

Ithmaar Bank B.S.C. (C)
For the period ended 30 September 2023

Disclosure template for main features of regulatory capital instruments

| | | |
|----|---|---|
| 1 | Issuer | Ithmaar Bank B.S.C. (C) |
| 2 | Unique identifier (Bahrain bourse ticker) | None (not listed) |
| 3 | Governing law(s) of the instrument | All applicable laws and regulations in the Kingdom of Bahrain |
| | Regulatory treatment | |
| 4 | Transitional CBB rules | Common Equity Tier 1 |
| 5 | Post-transitional CBB rules | Common Equity Tier 1 |
| 6 | Eligible at solo/group/group & solo | Group and solo |
| 7 | Instrument type (types to be specified by each jurisdiction) | Equity shares |
| 8 | Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date) | BD 100 million |
| 9 | Par value of instrument | BD 0.100 |
| 10 | Accounting classification | Shareholders' equity |
| 11 | Original date of issuance | 2 January 2017 |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | No maturity |
| 14 | Issuer call subject to prior supervisory approval | No |
| 15 | Optional call date, contingent call dates and redemption amount | Not applicable |
| 16 | Subsequent call dates, if applicable | Not applicable |
| | Coupons / dividends | |
| 17 | Fixed or floating dividend/coupon | Dividend as declared by shareholders |
| 18 | Coupon rate and any related index | Not applicable |
| 19 | Existence of a dividend stopper | Not applicable |
| 20 | Fully discretionary, partially discretionary or mandatory | Fully discretionary |
| 21 | Existence of step up or other incentive to redeem | No |
| 22 | Noncumulative or cumulative | Non-cumulative |
| 23 | Convertible or non-convertible | Not applicable |
| 24 | If convertible, conversion trigger (s) | Not applicable |
| 25 | If convertible, fully or partially | Not applicable |
| 26 | If convertible, conversion rate | Not applicable |
| 27 | If convertible, mandatory or optional conversion | Not applicable |
| 28 | If convertible, specify instrument type convertible into | Not applicable |
| 29 | If convertible, specify issuer of instrument it converts into | Not applicable |
| 30 | Write-down feature | No |
| 31 | If write-down, write-down trigger(s) | Not applicable |
| 32 | If write-down, full or partial | Not applicable |
| 33 | If write-down, permanent or temporary | Not applicable |
| 34 | If temporary write-down, description of write-up mechanism | Not applicable |
| 35 | instrument type immediately senior to instrument) | Not applicable |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | Not applicable |